



House of Representatives

General Assembly

File No. 263

February Session, 2002

Substitute House Bill No. 5378

House of Representatives, April 2, 2002

The Committee on Planning and Development reported through REP. DAVIS of the 50th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

***AN ACT CONCERNING PUBLIC HOUSING RESIDENTS DISPLACED
BY THE DEMOLITION, SIGNIFICANT REHABILITATION OR
DISPOSITION OF SUCH HOUSING.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective July 1, 2002*) If a housing authority
- 2 demolishes, significantly rehabilitates or disposes of a housing project
- 3 operated by the authority and develops replacement or rehabilitated
- 4 housing units at the site of said project or at another location, in
- 5 connection with said demolition, rehabilitation or disposition, the
- 6 authority shall grant a right of first refusal for the purchase or rental of
- 7 said replacement or rehabilitated housing units to all persons who
- 8 resided in the housing project within the four years prior to the
- 9 demolition, rehabilitation or disposition. Said right of first refusal for any
- 10 such former housing project resident shall be contingent on the resident
- 11 meeting any eligibility criteria for the replacement or rehabilitated
- 12 housing units.

This act shall take effect as follows:
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Section 1	<i>July 1, 2002</i>
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HSG *Joint Favorable Subst. C/R*

PD

PD *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Fund-Type	Agency Affected	FY 03 \$	FY 04 \$
GF - Cost	Econ. & Com. Development, Dept.	Potential Significant	Potential Significant

Note: GF=General Fund

Municipal Impact:

Effect	Municipalities	FY 03 \$	FY 04 \$
Cost	Housing Authorities	Potential Significant	Potential Significant

Explanation

This bill requires a housing authority that demolishes, significantly rehabilitates, or disposes of one of its housing projects, to offer housing units first to all persons who resided in the housing project within the prior four years. Right of first refusal is contingent on the resident meeting any eligibility criteria for the replacement housing.

This bill could have potentially significant costs to both the Department of Economic and Community Development and housing authorities. These costs result from finding and offering replacement housing to persons who resided in a housing project up to four years prior to the housing project's demolition, rehabilitation or disposition. The extent of these search costs is contingent upon the number of residents in the housing project over the preceding four-year period.

The costs of the search may be greater if existing administrative staff cannot perform it. Certain housing authorities, because of limited administrative staff, may hire a relocation consultant.

OLR Bill Analysis

sHB 5378

**AN ACT CONCERNING PUBLIC HOUSING RESIDENTS
DISPLACED BY THE DEMOLITION, SIGNIFICANT
REHABILITATION OR DISPOSITION OF SUCH HOUSING****SUMMARY:**

This bill requires that when a housing authority demolishes, rehabilitates, or disposes of one of its housing projects, it must offer replacement housing units first to everyone who resided in the project in the four years immediately preceding the action. This applies whether the replacement or rehabilitated units are on the original or another project site. The bill is silent on (1) how new units at another site are determined to be replacement units and (2) how to assign units if the number of former residents accepting the offer exceeds the number of units. It specifies that this right of first refusal for former residents is contingent on the resident meeting the eligibility criteria for the new units.

By law, housing authorities can demolish, sell, or transfer a housing project only if the action is approved by the economic and community development commissioner and (1) the housing authority relocates any displaced tenant to a comparable unit in the town, (2) the housing authority provides displaced tenants with relocation assistance, and (3) the action meets other criteria.

EFFECTIVE DATE: July 1, 2002

COMMITTEE ACTION

Select Committee on Housing

Joint Favorable Substitute Change of Reference

Yea 12 Nay 0

Planning and Development Committee

Joint Favorable Report

Yea 17 Nay 0